

VZCZCXRO5290
RR RUEHGA RUEHQU
DE RUEHC #5830/01 2301442
ZNR UUUUU ZZH
R 181425Z AUG 09
FM SECSTATE WASHDC
TO RUEHOT/AMEMBASSY OTTAWA 6245
INFO RUEHGA/AMCONSUL CALGARY 2453
RUEHQU/AMCONSUL QUEBEC 0806
RUETIAA/DIRNSA FT GEORGE G MEADE MD
RUEAIIA/CIA WASHINGTON DC
RHMCSUU/FBI WASHINGTON DC 5474
RUEKJCS/SECDEF WASHINGTON DC
RUCPDOG/USDOC WASHINGTON DC 5456

UNCLAS SECTION 01 OF 02 STATE 085830

SIPDIS
OTTAWA FOR RYAN STONER
OTTAWA FOR LORI BALBI

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [CA](#)
SUBJECT: BLUE LANTERN LEVEL 3: POST-SHIPMENT END-USE CHECK
ON LICENSE 050148621

¶1. This is an Action Request. See paragraphs 2 - 4.

¶2. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Post's assistance in conducting a post-shipment check on license 050148621 for the export of carbines to Canada. Post is requested to complete this Blue Lantern check within 45 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

¶3. Reason for Request: A proviso placed on this license disallows the export of carbines with flash suppressers and/or, folding, telescoping, or collapsible stocks (pinned or unpinned). This check is to confirm that all the firearms were received by end-user Milarms Co Ltd and to verify that the firearms received had fixed stocks. The request is also to determine if Agence Gravel is acting as a broker of U.S. Munitions Listed defense articles.

¶4. Action Request: Post is requested to verify that the carbines listed below were received by end-user Milarms Co Ltd and that the firearms had fixed stocks. Post is also requested to determine the role played by foreign consignee Agence Gravel in this transaction and determine if the company retained possession of any of these carbines. The following points are included for guidance:

(To Milarms Co Ltd)

--What are you annual sales of U.S.-origin firearms?

--Can you confirm receipt of all 50 carbines listed on this license? Did any of these carbines include flash suppressers and/or folding, telescoping, or collapsible stocks?

--Did you pay any fees or commissions for the services of Agence Gravel during the course of this transaction? If so, please explain.

--Are you familiar with the regulations governing the import of U.S.-origin defense articles, including restrictions on re-transfer or re-export?

(To Agence Gravel)

--What role did your company play in this transaction? Do you officially represent Bushmaster Firearms in any capacity in Canada?

--Did you pay and/or receive any fees or commissions for your services during the course of this transaction? If so, please provide details on these fees or commissions.

--Did any of these carbines include flash suppressers and/or folding, telescoping, or collapsible stocks?

--Did you ever have physical possession of these carbines?
If no, can you provide documentation that demonstrates the transfer of custody to Milarms Co Ltd of all these carbines?

In its reply, Post is encouraged to comment on any information pertinent to this transaction such as security of facilities, end-use, and concerns about the entities involved.

15. Details of license applications:

DTC Case: 050148621

QUANTITY/COMMODITY:

25 Bushmaster AR15 Carbines w/ Heavy Barrels

25 Bushmaster AR15 Carbines w/ Standard Barrels

License Value: USD \$43,425

SELLER:

Freedom Group Inc.

STATE 00085830 002 OF 002

c/o Bushmaster Firearms International
999 Roosevelt Trail
Windham, ME 04062

FOREIGN CONSIGNEE:

Agence Gravel Inc
1530 Provinciale
Quebec G1N 4A2
Canada
Tel: 418 682 3000
POC: Adriana Maciocia

FOREIGN END-USER:

MILARM Co Ltd
10769 99th Street
Edmonton, AB T5H 4H6
Canada
Tel: 780 424 5281
POC: R. Gordon McGowan

PURPOSE:

For commercial resale in Canada

16. Submitted in support of the license application were the following documents (PM/DTCC will fax documentation to Posts upon request):

Signed DSP-83 Nontransfer and Use Certificate signed by Shannon Shuman (Bushmaster) dated 19 Feb 2009, R Gordon McGowan (Milarm) dated 16 Jan 2009, and A. Maciocia (Agence Gravel) dated 10 Feb 2009

Import Certificate No. US 0915071 issued by Foreign Affairs and International Trade Canada dated 02 Feb 2009

Purchase Order issued by Agence Gravel dated 5 Feb 2009 signed by A. Maciocia

Purchase Order No. 5801 issued by MilArm Co Ltd dated 10 Feb 2009 signed by R. Gordon McGowan

17. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Kyle M. Ballard, Phone:

202-663-1929; Email: BallardKM@state.gov; SIPRNET:
BallardKM@state.sgov.gov. The Blue Lantern Guidebook (ref)
is available as a PDF file on Intellipedia:
<http://www.intelink.gov/wiki/>
Blue Lantern End-Use Monitoring Program

18. Department is grateful for Post's assistance in this
matter.
CLINTON